

**PART 2A OF FORM ADV: FIRM BROCHURE**



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**This Brochure provides information about the qualifications and business practices of Windmill Hill Asset Management Limited (“WHAM”). If you have any questions about the contents of this Brochure, please contact Adam Bennett at +44 20 3588 1807, or by email at [a.bennett@wham.co.uk](mailto:a.bennett@wham.co.uk). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority, and references in this Brochure to WHAM as a “registered investment adviser” are not intended to imply a certain level of skill or training.**

**Additional information about WHAM is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 – Material Changes**

This is WHAM's initial Brochure. As such, there are no prior versions of the Brochure and no material changes to disclose.

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## **Item 4 – Advisory Business**

### **Background**

Windmill Hill Asset Management Limited, (“WHAM”), (formerly First Arrow Investment Management Limited,) a limited company incorporated under the laws of England and Wales, was established in 1997 and is located in Waddesdon, Buckinghamshire and London. WHAM is currently authorized and regulated by the Financial Conduct Authority, (“FCA”).

WHAM has two greater than 25% owners, both of which are philanthropic foundations: Fondation Berma, a Swiss charitable foundation; and The Rothschild Foundation, a UK registered charity.

### **General Advisory Services**

WHAM provides discretionary investment management services to non-US pooled investment vehicles (the “Funds”). WHAM acts as investment manager to the Funds.

WHAM also provides investment management services to separately managed account Clients, all of which are charitable foundations, (collectively the “SMA’s” and together with the Funds the “Clients”). WHAM provides tailored investment advice to each SMA pursuant to an individually negotiated investment management agreement (“Investment Management Agreement”). Typically the SMA’s are managed according to strategies that are similar to those of the Funds, but they may be subject to express investment restrictions or other special terms that do not apply to the Funds. These special terms are subject to negotiation on a Client-by-Client basis

WHAM takes a diversified approach to investing across a range of asset classes that make up each Client’s “policy portfolio”. The key asset classes include: equities (public and private), fixed income, absolute return strategies and real assets. WHAM implements its view predominantly through allocation to external managers.

WHAM is unconstrained by any particular asset class, geography, or position in the corporate capital structure subject to policy range targets. WHAM has the ability to express an idea or theme across any asset class.

### **Tailored Advisory Services**

Each Fund managed by WHAM has its own investment objectives, strategies and restrictions. WHAM does not tailor its advisory services to the investors in the Funds and does not accept Fund investor imposed investment restrictions. Though Fund investors may in theory negotiate individual side letters with WHAM prior to making an investment in a Fund, and such agreements may provide the Fund investor with additional notification and disclosure rights, varying fee arrangements, transfer rights and redemption rights, among others, currently no such agreements are in place.

The investment strategies for each SMA are subject to policy portfolios and investment guidelines which are tailored to reflect their individual risk profiles and objectives.

Generally, as stated in the Investment Management Agreement, on an annual basis, WHAM gives the SMA Clients the opportunity to submit broad parameters or principals in relation to asset allocation,

specific prohibited assets, liquidity and speculative dealing in financial instruments. These “Investment Policies” are kept under continuous review and where appropriate, WHAM may suggest amendments.

**Wrap fee program**

WHAM currently does not participate in wrap fee programs.

**Assets under management**

As of July 31st, 2013, WHAM manages \$2.69 billion of regulatory assets on a discretionary basis. This calculation is an aggregation of all Clients for whom WHAM provides investment management services. WHAM does not currently manage any advisory Client assets on a non-discretionary basis.

## **Item 5 – Fees and Compensation**

WHAM will only provide this Brochure to qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940 (the “Company Act”). As such, WHAM has not provided detailed information about how it is compensated for its advisory services.

### **Funds**

WHAM receives a management fee based on a fixed percentage of the net asset value of the relevant Fund (the “Fund Management Fee”). The Funds either pay the Fund Management Fee quarterly in advance or monthly in arrears (as applicable to each Fund). Fees may be negotiable for certain investors under certain circumstances.

Generally, WHAM bills each Fund for the Fund Management Fee.

### **SMAs**

WHAM negotiates the fees with each SMA. Generally, WHAM receives a management fee based on a fixed percentage of the net asset value of the relevant SMA (the “SMA Management Fee”). The SMAs pay the SMA management fee quarterly in advance.

In the future, WHAM may receive a fee based on a percentage of its total, annual, overhead and other costs incurred in the ordinary course of business, (“Overhead Fee”) in lieu of a SMA Management Fee in the case of certain clients. The Overhead Fee is adjusted in accordance with the audited results of that calendar year but shall not exceed a fixed percentage, as specified in the detailed terms of the relevant Investment Management Agreement.

WHAM may receive a performance fee calculated by reference to the outperformance of the relevant SMA’s portfolio to a passive benchmark (“Incentive Compensation”) from certain SMAs, as specified in the detailed terms of the relevant Investment Management Agreement.

Generally, WHAM bills each SMA Client for the relevant SMA Management Fee, Overhead Fee and Incentive Compensation (as applicable).

### **Description of other fees or expenses**

In addition to the fees described above, Clients may also be subject to other costs and expenses related to investment activities. Such costs and expenses may include:

- Offering and organizational expenses;
- Accounting fees, legal fees, custodial expenses, auditing expenses, appraisal expenses and other reasonable costs and expenses that are incurred in the operation of the Client’s investments;
- Fees, costs and expenses relating to investments, including the acquisition, holding and disposition thereof, including travel-related expenses and expenses related to organizing and maintaining entities through or in which investments will be made, including fees and expenses of the specified agent;
- Reasonable premiums for insurance protecting the investment vehicle(s), the Manager, any of its affiliates, and any of their respective officers, directors, members, partners, employees and agents from liabilities to third persons in connection with the investment affairs;

- Taxes or other governmental charges payable by or on behalf of the investments; and
- Costs of reporting to the Fund investors or SMA.

**Payment of Fees in Advance**

As noted above, certain of the management fees are paid quarterly in advance. In the case of the SMA Management Fee, if the Investment Management Agreement with the Client is terminated before the end of the quarter, fees will be pro-rated accordingly.

In the case of the Fund Management Fees that are paid quarterly in advance, if a Fund investor redeems prior to the end of the quarter, the fees will be pro-rated accordingly. As noted above certain of the Funds pay the Fund Management Fee monthly in arrears.

**It is critical that Clients and Fund investors refer to the relevant management agreements or other governing documents for a complete understanding of how WHAM is compensated. The information contained herein is a summary only and is qualified in its entirety by such documents.**

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

As described in Item 5 above, WHAM may receive performance based compensation from certain of its Clients.

It should be noted that the possibility that WHAM could receive performance based compensation creates a potential conflict of interest in that it may create an incentive for WHAM to effectuate larger and riskier transactions for those particular Clients than would be the case in the absence of such form of compensation. The fact that WHAM manages Client accounts that are subject to performance based fees alongside Clients for which it will not receive this additional compensation may create a potential conflict of interest including that WHAM or its supervised persons may have an incentive to favor accounts for which WHAM or its supervised persons receive performance based compensation.

WHAM has implemented policies and procedures intended to address the potential conflicts of interest relating to the management of multiple accounts, including accounts with multiple and varying fee arrangements, and the allocation of investment opportunities. The firm's procedures relating to the allocation of investment opportunities require WHAM to attempt to allocate investments in a manner that is in the best interests of all the Client accounts involved. WHAM evaluates for each Client a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate and feasible for the Client at a particular time, including the nature of the investment opportunity taken in the context of the other investment or regulatory limitations on the Client account and the transaction costs involved. WHAM periodically reviews its policies and procedures to ensure all conflicts are being adequately addressed.

## Item 7 – Types of Clients

WHAM provides discretionary investment advisory services to: (i) SMA's, most of which are philanthropic foundations, and (ii) pooled investment vehicles.

WHAM does not typically set requirements for opening or maintaining an account, such as minimum account size. Any future restrictions for opening or maintaining an account such as minimum account size will be set forth in the Investment Management Agreement or fund agreements, or equivalent documents.

### **Funds**

As noted above, the Funds are Non-U.S. pooled investment vehicles and currently the Funds do not accept U.S. Investors, nor are interests in the Funds marketed to US investors. Investors must meet the eligibility provisions and significant minimum contribution amounts described in each Fund's offering documents. Investors may include, without limitation, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, limited partnerships and limited liability companies.

### **Managed Accounts**

WHAM does not typically set requirements for opening or maintaining an account, such as minimum account size. However, each of the SMAs established opened with a substantial initial investment with an acknowledged understanding of the investor's sophistication, knowledge and skill level.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **Methods of Analysis and Investment Strategy**

The fundamentals behind WHAM's investment strategy are the same regardless of the Client involved. The strategy employed is one of long term capital appreciation using a diversified investment approach across a range of asset classes.

The initial step for any Client is to understand the Client's requirements and establish a strategic policy portfolio informed by long term return, risk and correlation assumptions that balance the need for liquidity, preservation of purchasing power and risk tolerance. Once the policy portfolio is developed the investment team's aim is to outperform the policy portfolio benchmark incorporating the following four tenets in their investment approach:

- Identify themes through fundamental analysis that WHAM believes will drive market returns over the medium term (1-3 years). These can be views taken on a certain region, industry specific or purely driven by an overriding macroeconomic trend.

Optimal expression of these views is critical. The team evaluates thoroughly the various ways to implement views, for example whether it is done actively through a manager or passively through an ETF. The team also evaluates which asset class offers the optimal risk / reward. For example, a positive view on commodities can be expressed actively or passively through resource equities, directly through commodities or even through commodity related currencies.

- Allocation of a major proportion of the portfolio to external managers with what WHAM believes is a sustained edge in order to benefit both from their skill, and develop a wider investment relationship with them to augment the team's own thinking. The team's own idea generation takes place at regular investment committee meetings and more informal get-togethers to ensure the cross fertilization of ideas amongst investment staff.
- Idiosyncratic opportunities. Through WHAM's wider network and its strong relationships with external managers investment opportunities are regularly shown to the team. While a large amount of these opportunities are declined, there are times when an opportunity would arise that would fit the portfolio and could make a material positive impact on returns.
- Tactical adjustments. These are implemented predominantly in two forms. First, it is accepted that a majority of the investments made will require the market to respect fundamental analysis and reward themes and companies in a rational manner. The team acknowledges that at times there will be one or two overriding macro or systemic drivers that will render bottom up fundamental analysis fairly irrelevant. At those times, market returns will be primarily driven by moves in the underlying risk premiums of asset classes. When such environments are identified the portfolio will be adjusted typically using a derivative overlay strategy.

Second, the team will actively position the currency allocation to be a source of return conservation as well as return generation. The treatment of currencies as an asset class is believed to add important diversification benefits to the portfolio.

### **Risks Related to WHAM's Investment Strategy**

No assurance can be given that Clients will realize a profit on their investment. Moreover, Clients may lose some or all of their investment. The risks referred to below do not purport to be exhaustive and potential investors should review the relevant offering documents carefully and in their entirety and consult with their professional advisers before making considering an investment.

**Achievement of an Account's Investment Goal and Objective.** All financial instrument investments risk the loss of capital. No guarantee or representation is made that the program of an account will be successful. No assurance can be given that an account will achieve its investment objective or avoid substantial losses.

**Trading Risks.** An account will invest in and trade financial instruments. The financial instrument markets are speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for financial instruments change rapidly and are affected by a variety of factors, including interest rates and general trends in the overall economy or particular industrial or other economic sectors. Government actions, especially those of the Federal Reserve Board, have a profound effect on interest rates which, in turn, affect the price of financial instruments. In addition, a variety of other factors that are inherently difficult to predict, such as domestic and international political developments, governmental trade and fiscal policies, patterns of trade, and war or other military conflict can also have significant effects on the markets. An account may have only limited ability to vary its portfolio in response to changing economic, financial and investment conditions. No assurance can be given as to when or whether adverse events might occur which could cause significant and immediate loss in value of an account's portfolio. Even in the absence of such events, trading financial instruments can quickly lead to large losses. Such trading losses could sharply reduce the net asset value of an account.

**General Economic and Market Conditions.** The success of an account may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of portfolio investments. Unexpected volatility or illiquidity could impair an account's profitability or result in losses.

**Availability of Investment Strategies.** The success of investment activities for a Client may depend on the Investment Manager's ability to identify overvalued and undervalued investment opportunities and to exploit price discrepancies in the financial markets, as well as to assess the import of news and events that may affect the financial markets. Identification and exploitation and the investment strategies to be pursued by the Investments Manager involves a high degree of uncertainty. No assurance can be given that the Investment Manager will be able to locate suitable investment opportunities in which to deploy all of the assets of the Client, or to exploit discrepancies in the securities and derivatives markets. A reduction in money market liquidity or the pricing inefficiency of the markets in which a Client seeks to invest, as well as other market factors, will reduce the scope for the investment strategies. Client assets may be adversely affected by unforeseen events involving such matters as changes in interest rates, exchange rates, or the credit status of the issuer, break up of planned mergers, unexpected changes in relative value, inability to short stock, or changes in tax treatment.

**Business Risk.** There can be no assurance that investment objectives will be achieved. The investment results of each Client are reliant upon the success of the Investment Manager.

**Counterparty Risk.** Many of the markets in which a Client may effect its transactions are “over-the-counter” or “inter-dealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange based” markets. This exposes an account to the risk that a counterparty will not settle a transaction due to a credit or liquidity problem, thus causing the account to suffer a loss. In addition, in the case of a default, an account could become subject to adverse market movements while replacement transactions are executed. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where an account has concentrated its transactions with a single counterparty or small group of counterparties. An account is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, a Client has a limited internal credit function which evaluates the creditworthiness of its counterparties. The ability of an account to transact business with any one or more counterparties, the lack of complete evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by a Client.

**Currency Options Trading.** An account’s trading may include the trading of options contracts. An option on a financial instrument gives the purchaser of the option the right but not the obligation to take a position at a specified price (the “striking,” “strike” or “exercise” price) in a financial instrument. A “call” option gives the purchaser the right to buy the underlying financial instrument, and the purchaser of a “put” option acquires the right to take a sell position in the underlying financial instrument. The purchase price of an option is referred to as its “premium.” The seller (or “writer”) of an option is obligated to take a position at a specified price opposite to the option buyer if the option is exercised. Thus, in the case of a call option, the seller must be prepared to sell the underlying financial instrument at the strike price if the buyer should exercise the option. A seller of a put option, on the other hand, stands ready to buy the underlying financial instrument at the strike price. Both the purchasing and selling of call and put options entail risks. Although an option buyer’s risk is limited to the amount of the original investment for the purchase of the option, an investment in an option may be subject to greater fluctuation than is an investment in the underlying financial instruments. In theory, an uncovered call writer’s loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying financial instrument may fall below the exercise price.

**Debt Securities.** The value of fixed-income securities in which an account invests will change in response to fluctuations in interest rates, market and credit risks. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed-income securities generally can be expected to rise. Conversely, when interest rates rise, the value of fixed-income securities generally can be expected to decline. Market risk relates to the changes in the risk or perceived risk of an issuer, country or region. Credit risk relates to the ability of the issuer to make payments of principal and interest. The values of fixed-income securities may be affected by changes in the credit rating or financial condition of the issuing entities.

The fixed-income instruments in which an account may invest are not required to satisfy any minimum credit standard, and may include instruments that are considered to be of relatively poor standing and have predominately speculative characteristics with respect to capacity to pay interest and repay principal.

**Derivatives.** To the extent that Client assets are invested in swaps, derivative or synthetic instruments, repurchase agreements or other over-the-counter transactions or, in certain circumstances, non-US securities, it may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default.

Client assets may be invested in derivative instruments not traded on an exchange. The risk of non-performance by the obligor on such an instrument may be greater, and the ease with which a party can dispose of or enter into closing transactions with respect to such an instrument may be less, than in the case of an exchange-traded instrument. In addition, significant disparities may exist between bid and asked prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions.

**Developing Markets.** Client assets may be invested in developing market debt securities, foreign exchange instruments and equities which may lead to additional risks being encountered when compared with investments in developed markets.

Investment in developing market securities involves a greater degree of risk than an investment in securities of issuers based in developed countries. Among other things, developing market securities may carry the risks of less publicly available information, more volatile markets, less strict securities market regulation, less favourable tax provisions, and a greater likelihood of severe inflation, unstable or not freely convertible currency, war and expropriation of personal property than investments in securities of issuers based in developed countries. In addition, the investment opportunities in certain developing markets may be restricted by legal limits on foreign investments in local securities.

**Equity Securities.** Investment in equity securities offers the potential for substantial capital appreciation. However, such investment also involves certain risks, including issuer, industry, market and general economic related risks. Adverse developments or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities owned by an account.

**Forward Foreign Exchange Contracts.** A forward foreign exchange contract is a contractually binding obligation to purchase or sell a particular currency at a specified date in the future. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are generally effected through a trading system known as the interbank market. Clients are subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel Clients to cover its commitments for resale or repurchase, if any, at the then market price. These events could result in significant losses. WHAM, (acting on behalf of the each Client) may also enter into forward foreign exchange agreements between themselves (rather than with market participants).

**Futures Trading.** Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. These transactions carry a high degree of risk.

**Illiquidity.** The financial instruments in which a Client may invest include assets that are subject to legal or contractual restrictions on their resale or for which there is a relatively inactive trading market. The sale of such assets often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of financial instruments eligible for trading on national securities exchanges or for which there is an active over-the-counter market. Therefore, a Client's investments in illiquid financial instruments may reduce the returns of the account because it may be unable to sell the illiquid financial instruments at an advantageous time or price. These thinly traded and relatively illiquid securities may cease to be traded after the Client invests. A Client may also acquire significant positions in some securities or other instruments. In such cases and in the event of extreme market activity, the account may not be able to liquidate its investments promptly if the need should arise

or to cover short sales, thereby forcing the account to incur unlimited losses. In addition, a Client may have difficulty selling illiquid securities or other investments, perhaps causing the account to have difficulty in meeting redemption requests.

**Legal Risk.** WHAM's investments may be subject to a number of risks, including investor protection, contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets, and lack of enforcement of existing regulations. Furthermore, it may be difficult to obtain and enforce a judgment. As such, there can be no assurance that this difficulty in protecting and enforcing rights will not have a material adverse effect on the Client and its invested assets.

**Leverage.** WHAM may invest Client Assets utilizing a substantial degree of leverage. This results in the underlying investment controlling substantially more assets than equity. Leverage increases returns if the returns on assets purchased with borrowed funds are greater than the cost of borrowing. However, the use of leverage creates exposure to additional levels of risk, including: (i) greater losses (including the risk of a total loss) from assets than would otherwise have been the case had borrowed funds not been used to purchase the assets; (ii) margin calls or interim margin requirements, which may force the premature liquidation of investment positions; and (iii) losses (including the risk of a total loss) where the asset fails to earn a return that equals or exceeds the cost of borrowing.

**Liquidity and Market Characteristics.** Market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for an account, and such events can result in unexpected volatility and risk.

**Market Crisis and Government Intervention.** Market participants without notice, may be subject to government intervention and market regulations that are unclear in scope and in application. Such regulations could impose restrictions on WHAM's ability to fulfil investment objectives.

**Off-Exchange Transactions in Derivatives.** While some off-exchange markets are highly liquid, transactions in off-exchange or "non-transferable" derivatives may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may be impossible to liquidate an existing position, to assess the value of the position arising from an off-exchange transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what is a fair price.

**Options.** The seller (writer) of an option has the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash. The buyer of an option has the right (but not the obligation) to exercise the option, thereby making or taking delivery of the underlying asset of the contract at a future date, or in some cases settling the position with cash. Options carry a high degree of risk. The "gearing" or "leverage" often obtainable in options trading mean that small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement

**Undervalued or Overvalued Securities.** One of the key objectives may be to identify undervalued or overvalued securities ("misvalued securities"). The identification of investment opportunities will be successfully recognized. While purchases of undervalued securities and short sales of overvalued securities offer opportunities for above-average capital appreciation, these investments may involve a high degree of financial risk and can result in substantial losses.

**Potential Conflicts of Interest.** WHAM and its affiliates serve as the investment manager to other Clients. As a result, WHAM (and its affiliates) may have conflicts of interest in allocating their time and activity between the Clients, in allocating suitable investments among the Clients and in effecting transactions between Clients, including ones in which WHAM (and its affiliates) may have a greater financial interest. WHAM and its affiliates may give advice or take action with respect to such other Clients that differs from the advice given with respect to other Clients

## **Item 9 – Disciplinary Information**

WHAM is required to disclose all material facts regarding any legal or disciplinary events that would be material to a Client's or Investor's evaluation of WHAM or the integrity of WHAM's management. WHAM has no legal or disciplinary information to disclose at this time.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **Registered Broker-Dealer or Registered Representative**

Not applicable. WHAM and its management persons are not currently, nor intend to register, as a broker-dealer or a registered representative of a broker dealer.

### **FCM, CPO, CTA or Associated Person**

Not applicable. Neither WHAM nor its management persons are currently required to register with the Commodity Futures Trading Commission, (“CFTC”) or apply for membership with National Futures Association (“NFA”).

### **Other Material Advisory Relationships**

The principal owners of WHAM are three philanthropic foundations that are also Clients. Certain trustees of these foundations serve on WHAM’s Board of Directors and/or other supervised persons of WHAM. This is a conflict of interest in that WHAM could potentially favor the accounts of the philanthropic foundations over its other Clients. WHAM manages this potential conflict of interest policy through strict adherence to its allocation policy.

The Chairman, Chief Investment Officer and one additional Non-Executive Director of WHAM, (the “Overlapping Supervised Persons”) serve on the board of directors and/or are officers of J Rothschild Capital Management Limited (“JRCM”), a non US investment advisory firm. The Overlapping Supervised Persons may receive compensation in connection with these positions. Further, JRCM has similar investment objectives and investment strategies to those of WHAM. This creates a potential conflict of interest in that the Overlapping Supervised Persons may direct investments to JRCM’s clients rather than to WHAM’s Clients. WHAM has adopted a detailed Conflict of Interest Policy (the “Policy”) to address the potential conflict of interest with JRCM and JRCM’s parent company, (together referred to as “JRCM”). It should be specifically noted that such Policy contains a detailed allocation policy and requires that the Policy and the relationship with JRCM be disclosed to all Clients and that necessary consents (as required by the relevant formation documents or investment management agreements for each Client) are secured. Finally, all outside business activities are required to be reported to, and certain outside activities are required to be pre-approved by the Chief Compliance Officer pursuant to WHAM’s Compliance Manual.

### **Recommendation and Selection of Other Investment Advisers**

WHAM does not receive direct or indirect compensation from Investment Vehicles. Rather, WHAM is compensated by Investors in the pooled investment vehicles managed by WHAM.

Please see item 11.B. for a description of how WHAM monitors conflicts of interests related to personal investments by WHAM employees in Investment Vehicles and/or in pooled investment vehicles managed by the Advisers

## Item 11 – Code of Ethics

### Code of Ethics

WHAM has adopted a Code of Ethics (the “Code”) that is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (“Advisers Act”). The Code applies to WHAM’s access persons (the “Access Persons”) and sets forth a standard of business conduct that takes into account WHAM’s status as a fiduciary and requires Access Persons to place the interests of Clients above their own interests. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of WHAM’s Chief Compliance Officer. All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code on at least an annual basis.

As required by Rule 204A-1 of the Advisers Act, and as further discussed in Item 11.C below, the Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must pre-clear certain transactions in reportable securities. Access Persons must also provide the Chief Compliance Officer with a list of their personal accounts and an initial holdings report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Rule 204A-1.

Further, WHAM’s Code ensures the protection of nonpublic information about the activities of the Client. Investors or prospective investors may obtain a copy of WHAM’s Code by contacting the Chief Compliance Officer, Adam Bennett at a.bennett@wham.co.uk.

### Participation in Client Transactions

As noted in Item 10 above, certain directors and officers of WHAM serve on the board and/or are officers of JRCM, a non-US investment advisory firm. Such Overlapping Supervised Persons may receive compensation in connection with these positions and JRCM may have similar investment objectives and investment strategies to those of WHAM. As such, the Overlapping Supervised Persons may have a material financial interest, in connection with the compensation received from JRCM, in the securities recommended to Clients if such securities are also recommended by JRCM. As stated in Item 10, WHAM will endeavor to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the various Clients and their investors as a whole under the prevailing facts and circumstances. Any and all conflicts will be diligently reviewed and subject to WHAM’s Global Conflicts of Interest Policy. Please refer to Item 10 to see further detail on how WHAM manages this conflict.

WHAM charges fees based on a percentage of assets under management and, in certain cases, performance based fees. The management fees are payable without regard to the overall success or income earned by the investments and therefore may create an incentive on the part of WHAM to raise or otherwise increase assets under management to a higher level than would be the case if WHAM were receiving a lower or no management fee. The receipt of performance based compensation may create an incentive for WHAM to make investments that are riskier or more speculative than it otherwise would.

Please also see 11.C. below referring to personal trading of Supervised Persons.

**COMPLETE FEE DISCLOSURES ARE PROVIDED TO INVESTORS EITHER IN THE FORM OF INVESTMENT MANAGEMENT AGREEMENTS, OR IN AN EXPLANATORY MEMORANDUM AND SHOULD BE CAREFULLY REVIEWED BY PROSPECTIVE INVESTORS.**

**FURTHER, AS NOTED ABOVE IN ITEM 11.A, WHAM HAS ESTABLISHED A CONFLICTS OF INTEREST POLICY IN ADDITION TO THE CODE OF ETHICS THAT SETS FORTH A STANDARD OF BUSINESS CONDUCT THAT TAKES INTO ACCOUNT WHAM'S STATUS AS A FIDUCIARY AND REQUIRES EMPLOYEES TO PLACE THE INTERESTS OF THE ADVISORY CLIENTS ABOVE THEIR OWN INTERESTS.**

**Conflicts of Interests- Personal Trading**

WHAM's Supervised Persons are specifically prohibited from using their knowledge about pending transactions or investments currently being considered for personal profit, including by purchasing or selling such securities directly or indirectly. Supervised persons of WHAM may buy, sell or otherwise invest in securities that WHAM also recommends to Clients. Each such related person transaction is separately identified and made strictly in accordance with WHAM's Code of Ethics, including the pre-clearance requirement there in, and the terms of the offering described in the applicable contractual documents, such as the investment management agreement.

Please also refer to Items 11.A and 11.B above.

**Conflicts of interest - Advisory Clients**

Please also refer to Items 11.A, 11.B, and 11.C above

## **Item 12 – Brokerage Practices**

### **Selection of Broker-Dealers**

WHAM has full discretionary authority over its Clients, including the authority to make decisions with respect to which securities are bought and sold, the amount and price of those securities, the counterparties used to execute such transactions, and commissions paid. WHAM's authority is governed by internal policies and procedures and will always seek best execution for its Clients.

Best execution is not purely a function of price and commission level, but rather represents the best qualitative execution under the circumstances.

When placing orders on a Client's behalf, subject to any specific instructions given by the Client, WHAM will take all reasonable steps to obtain the best possible result for them by taking into account the range of execution factors namely: price; cost; speed; likelihood of execution; settlement; order size; nature or any other consideration relevant to the execution of the order including implicit costs. Best execution applies to all financial instrument types, although 'execution factors' should be considered and applied as appropriate to different instruments depending on the relative importance. In the majority of cases, WHAM would typically expect that the most significant issue to be taken into account will be the total consideration to be paid or received in each case such that there will be greater weight on the price and costs associated with each trade. However, there will be occasions when other factors may be more important or relevant and, as discretionary managers, WHAM may use its judgment and experience to give greater prominence to them.

### **Research and Soft Dollar Benefits**

Section 28(e) of the U.S. Securities Exchange Act of 1934 provides a "safe harbor" to investment managers who use commission dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the manager in the performance of investment decision-making responsibilities. WHAM does not use soft dollars for brokerage services. However, WHAM may obtain research services from brokers and banks who provide in-house research with no conditions attached, although they benefit from the trade flow and standard commission rates should we execute through them. Any such research services would fall within the safe harbor of section 28(e).

### **Brokerage for Client Referrals**

WHAM is not incentivized to select any particular broker-dealer to use in Client transactions.

### **Directed Brokerage**

WHAM does not accept Clients who require execution of transactions through a specified broker-dealer. WHAM will use broker-dealer(s) subject to the determination that said broker-dealer provides best execution of Client transactions.

### **Cross Trades and Principal Transactions**

WHAM recognizes its obligation to seek best execution for its Clients. WHAM, in seeking best execution for its Clients, believes that in certain situations, brokered cross-trades between Client accounts may be appropriate. In a brokered cross transaction, WHAM arranges a transaction between two or more existing Clients through an unaffiliated registered broker-dealer. Such transactions may be appropriate when establishing opening positions for an account, liquidating positions as part of closing an account, adjusting account position size, and when transferring a Client to a fund or vice versa.

Because WHAM may potentially have conflicting loyalties and responsibilities regarding such transactions and to ensure that WHAM meets its obligations of seeking best execution, all brokered cross trades will comply with applicable law and be effected pursuant to the following guidelines:

- The transaction must be effected through a broker or dealer that is not an affiliate of WHAM – this is, through a broker or dealer that is not a person controlling, controlled by or under common control with WHAM.
- WHAM does not set the price of the security being traded. If the Client is a registered investment company, the transaction must be effected at the independent current market price of the security.
- Each cross-trade must be consistent with each Client's investment objectives and restrictions.
- If the Client is a registered investment company, no additional brokerage commission, spread, fee or other remuneration (except a customary transfer fee) will be paid to the broker or dealer in connection with the cross-trade.
- WHAM receives no compensation (other than its advisory fee) in connection with the transaction.

Section 206(3) of the Adviser's Act prohibits an adviser, acting as principal for its own account, from knowingly selling any security to or purchasing any security from a Client for its own account, without disclosing to the Client in writing the capacity in which it (or an affiliate) is acting and obtaining the Client's consent before the completion of the transaction. WHAM does not conduct such Principal Transactions and has no intention of doing so in the future.

In addition to these guidelines, cross transactions are subject to WHAM's global conflicts of interest policy, which seeks to mitigate any potential conflict of interest.

### **Aggregation of Trades**

WHAM may aggregate the Client's orders with orders of other Clients. The Client has acknowledged that in some cases, aggregation may result in the Client obtaining a less or more favorable result. WHAM shall ensure that orders are allocated on a fair and reasonable basis. In particular, WHAM shall ensure that it does not allocate its own proprietary orders in a manner that is likely to prejudice any order executed or to be executed on behalf of the Client.

### **Trade Allocation**

It is the policy of WHAM to allocate investment opportunities fairly and equitably over time. This means that such opportunities will generally be allocated among those accounts for which participation in the respective opportunity is considered appropriate, taking into account, among other considerations;

- whether the risk-return profile of the proposed investment is consistent with the account's objectives;
- the potential for the proposed investment to create an imbalance in the account's portfolio;
- liquidity requirements;
- potentially adverse tax consequences;
- regulatory restrictions that would or could limit an account's ability to participate in a proposed investment; and
- the need to re-size risk in the account's portfolio.

Such considerations may result in allocations among the Client and/or one or more other affiliates of the Advisor on other than a pari passu basis.

### **Item 13 – Review of Accounts**

WHAM performs various daily, weekly, monthly, quarterly and periodic reviews of each Client's portfolio. The investment directors, take the lead in the monitoring of portfolio holdings, supported by the relevant analysts and operations team. The operations team reviews cash allocations, portfolio holdings and trading activity on a daily basis in seeking to ensure that they are consistent with Client and strategy guidelines. Policy portfolio targets are examined on a periodic basis with each Client and adjustments to the asset allocation considered as may be appropriate. Changes to the policy portfolio targets are reviewed and approved by the Board of each Client.

WHAM's Clients receive monthly and quarterly fact sheets containing performance verses composite benchmark figures, trailing period investment performance figures, asset class performance and information disclosing currency exposure, geographical exposure and asset allocation. WHAM may, from time to time, provide additional information relating to the portfolio, as and when it deems appropriate.

Client portfolios are also discussed at the monthly investment committee meetings as well as at investment team meetings.

## **Item 14 – Client Referrals and Other Compensation**

### **Other Compensation**

Investment and Operations staff members of WHAM work closely with each other, as well as with JRCM. JRCM provides public fund support to WHAM, for which JRCM is compensated. The costs are solely payable by WHAM and not the Clients.

JRCM also provides private equity monitoring services in respect of a handful of investments held by certain Clients. As this is a specific investment, the costs are charged to the relevant Client at a pre-agreed percentage of cost basis. The relationship between WHAM and JRCM is disclosed to all Clients in the Investment Management Agreement or equivalent agreements. As discussed above, there is also a Global Conflicts of Interest Policy that governs this relationship and mitigates any potential conflicts of interest.

### **Client Referrals**

WHAM has not currently entered into arrangements pursuant to which it compensates third parties for investor referrals; however, WHAM may enter into such arrangements in the future. All such agreements will be conducted in a manner that is consistent with Rule 206(4)-3 under the Advisers Act and relevant SEC guidance. All fees paid to solicitors, if any, will be fully disclosed to investors consistent with applicable law.

## Item 15 – Custody

WHAM does not retain custody of Client assets. WHAM maintains all of the Client's assets at a prime broker, custodial bank, or other qualified custodian, as that term is defined under the custody rule under the Advisers Act. In addition, Clients are audited annually and the relevant financial statements are distributed to all investors.

WHAM may be deemed to have custody over certain Client assets by virtue of WHAM's ability to deduct fees directly from a Client account. WHAM maintains all Client assets in accounts with a "qualified custodian" pursuant to Rule 206(4)-2 under the Advisers Act and will notify Clients in writing through this Form ADV Part 2A of each of the qualified custodian's name and address. The manner in which the assets are maintained promptly when the account is opened and following any changes to this information will also be provided.

WHAM's Clients have custodial relationships with Bank of New York Mellon, Northern Trust and Bank of America. The terms of these relationships are set out in legal agreements between Client and custodian to which WHAM is not a party.

As a non-US adviser seeking registration with the SEC, WHAM is not subject to the custody rule with respect to their non-US Clients. To ensure compliance with Rule 206(4)-2 under the Advisers Act, WHAM reasonably believes that all applicable US Clients will be provided with audited financial statements, prepared by an independent accounting firm, and such financial statements will contain information substantially similar to statements prepared in accordance with U.S. generally accepted auditing standards. Clients should carefully review the audited financial statements of WHAM.

## **Item 16 – Investment Discretion**

WHAM has complete investment discretion over the portfolios of the Clients. The Investment Management Agreements or other similar executed documents between WHAM and each Client generally set forth the investment objectives, approach, strategies and any applicable restrictions of each Client.

Subject to any investment policies submitted by a Client, WHAM will have complete authority over the account of the Client, (without prior reference to the Client), to carry out investment activity on behalf of the Client, including but not limited to (i) buying, selling, retaining, exchanging or otherwise dealing in investment and other assets, (ii) making deposits, (iii) subscribing to issue and offers for sale and accepting placings, (iv) performing underwritings and sub-underwritings of any investment, (v) advising on or executing transactions, (vi) effecting transactions on any markets, (vii) negotiating and executing counterparty and account opening documentation, (viii) entering into currency or other hedging transactions, (ix) taking all routine or day to day decisions; and (x) otherwise acting as WHAM judges appropriately in relation to the management of the Client's Assets.

## **Item 17 – Voting Client Securities**

### **Proxy Voting Authority**

WHAM understands and appreciates the importance of proxy voting. To the extent that WHAM has discretion to vote the proxies on behalf of the Funds, WHAM will vote any such proxies in the best interests of the Funds and in accordance with set compliance procedures.

Prior to voting any proxies, WHAM's Chief Compliance Officer and the Portfolio Manager will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the Chief Compliance Officer and the Portfolio Manager will then make a determination (which may be in consultation with outside legal counsel) as to whether the conflict is material or not. If no material conflict is identified pursuant to its set procedures, the Chief Compliance Officer and the Portfolio Manager will make a decision on how to vote the proxy in question. Any proxies actually received by WHAM will be provided to the Chief Compliance Officer. WHAM keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received and internal documents created that were material to voting decisions and each Client request for proxy voting records and WHAM's response for the previous five years.

If you have any questions about WHAM's proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies were actually voted, please contact Adam Bennett, WHAM's Chief Compliance Officer, at +44 20 3588 1807 .

### **Client Proxy Voting Authority**

WHAM's voting policy is undertaken at all times in the best interests of Clients and for their benefit. Where applicable, Clients may obtain a copy of WHAM's proxy voting policies and procedures and information about how WHAM voted a Client's proxies by contacting WHAM at +44 20 3588 1807.

## **Item 18 – Financial Information**

Not Applicable.